



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET

Fiscal Year (FY) 2019

TO: PHILIPPINE RECLAMATION AUTHORITY (PRA)

Your Corporate Operating Budget (COB) for FY 2019 per approved Secretary's Certificate of Resolution No. 4971 signed on February 29, 2019 submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of (s.) 1979 and Section 19, Chapter 3, Book VI of EO No. 292, s. 1987 and as reiterated in Corporate Budget Circular (CBC) No. 22 dated December 1, 2016, is hereby approved for a total of **FIVE BILLION FORTY-SIX MILLION EIGHT HUNDRED THOUSAND PESOS ONLY (P5,046,800,000.00)**, details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=a-b)
TOTAL SOURCES:	P 7,148,904,000	P 7,148,904,000	P -
Corporate Income	2,297,332,000	2,297,332,000	-
Retained Earnings	4,851,572,000	4,851,572,000	-
TOTAL USES:	P 7,148,904,000	P 5,046,800,000	P (2,102,104,000)
Personnel Services (PS)	390,299,000	278,451,000	(111,848,000) a/
Maintenance and Other Operating Expenses (MOOE)	466,359,000	359,895,000 b/	(106,464,000) c/
Capital Outlays (CO)	6,046,628,000	4,162,836,000 d/	(1,883,792,000)
Others:			
Corporate Income Tax	29,740,000	29,740,000	-
Dividends to the National Government	215,878,000	215,878,000	-
Excess/(Shortfall)	P -	P 2,102,104,000	P (2,102,104,000)

Particulars	Amount	Remarks
a/ The variance refers to the following:		
Basic Salary	P 29,460,000	Corresponds to the requirements of unfilled positions not considered. Recommended level considers the hiring of only 35 positions, in addition to the 175 filled positions, or a total of 210 positions.
Personnel Economic Relief Allowance	1,920,000	
Uniform/Clothing Allowance	480,000	
Mid Year Bonus	2,455,000	
Year End Bonus	2,455,000	
Cash Gift	400,000	
Productivity Enhancement Incentive	12,454,000	
Retirement and Life Insurance Premiums	3,535,000	
Employee Compensation Insurance Premiums	96,000	
Pag-IBIG Contributions	96,000	
PhilHealth Contributions	375,000	
Representation Allowance (RA) and Transportation Allowance (TA)	1,200,000 -	TA for six (6) officials. Officials who are assigned government motor transportation shall not be granted transportation allowance consistent with Section 59, General Provisions (GP) of FY 2019 General Appropriations Act (GAA), Republic Act (RA) No. 11260.

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Particulars	Amount	Remarks
Anniversary Bonus	1,450,000	- PRA was established on February 4, 1977, hence, 2019 is not a milestone year
Honoraria (Bids and Awards Committee members)	5,254,000	- To be charged against savings per Budget Circular (BC) No. 2007-3
Meal Allowance	5,124,000	} Recommendation was based on CY 2017 audited; Officials/personnel granted these allowances are incumbents as of July 1, 1989, consistent with Letter of Implementation No. 97, s. 1979
Rice Allowance	4,384,000	
Medical Benefits	14,448,000	
PRAISE	18,586,000	- To be charged against savings, per CSC Resolution No. 010112, s. 2001 and CSC MC No. 1, s. 2001, respectively
Overtime Pay	426,000	- Recommendation was based on FY 2018 actual
Collective Negotiations Agreement (CNA) Incentive	7,250,000	- To be charged against savings per Section 77, GP of FY 2019 GAA, RA No. 11260
Total	P <u>111,848,000</u>	

b/ Net of non-cash expenses

Particulars	Amount	Remarks
c/ The variance refers to the following:		
Training Expenses	P 34,731,000	} Adjustments in the MOOE computation which was based on the higher amount between the FYs 2017 audited and 2018 actual, plus effect of inflation, or proposal whichever is lower
Supplies and Materials Expenses	6,549,000	
Fuel, Oil and Lubricants Expenses	5,370,000	
Utility Expenses	2,141,000	
Communication Expenses	5,858,000	
Repair and Maintenance	7,202,000	
Printing and Publication Expenses	4,283,000	
Representation Expenses	2,186,000	
Donations	711,000	
Other MOOE	17,800,000	
Financial Expenses	14,922,000	
Survey Expenses	4,711,000	- No actual expenses
Total	P <u>106,464,000</u>	

d/ CO is intended to the following:

Investments Outlay	P 1,600,000,000	} Recommended level is based on doable projects per coordination made with the Corporation
Buildings and Other Structures Outlay	9,580,000	
Infrastructure Outlay	412,890,000	
Furniture, Fixtures and Books Outlay	1,579,000	
Machinery and Equipment Outlay	120,357,000	
Other Capital Outlay	<u>2,018,430,000</u>	
Various Reclamation Projects	634,000,000	
Legal Cases Claims	1,321,808,000	
Other Payables	<u>62,622,000</u>	
Total	P <u>4,162,836,000</u>	

Notwithstanding the above indicated variances in MOOE and CO, the PRA has the flexibility to modify its utilization within the DBM-approved budget level funded out of corporate funds.

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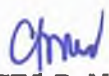
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The following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or CO, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the Office of the President (OP). Disbursements for personnel services shall be subject to the pertinent compensation laws, rules and regulations, including EO Nos. 7 (s. 2010), 24 (s. 2011), 201 (s. 2016) and 36 (s. 2017). Such expenditures shall be consistent with EO No. 76, s. 2012 and also be conditioned on the relevant GP of FY 2019 GAA or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to the relevant provision of the annual GAA.
5. CNA may be granted to qualified personnel subject to the relevant provisions of the annual GAA and policies, rules and regulations issued by the DBM.
6. Equipment outlays included in the Annual Equipment Procurement Program that require specific clearance/approval from the departments/agencies concerned (e.g., Department of Information and Communications Technology (DICT), particularly for Medium-Term Information and Communications Technology Harmonization Initiative Steering Committee, for information technology equipment and OP/DBM/Supervising Department for procurement of motor vehicles), the same shall be secured before acquisition thereof in accordance with CBC No. 17 dated February 9, 1996, BC No. 2017-1 dated April 26, 2017, respectively, OP Memorandum Circular No. 9 dated December 14, 2010, and Administrative Order (AO) 15 dated May 25, 2011, and AO No. 14 dated December 10, 2018, as implemented under BC Nos. 2019-2 and 2019-3 dated March 4 and May 16, 2019, respectively.
7. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
8. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
9. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
10. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

Recommending Approval:

Approved:


CARMENCITA P. MAHINAY
Director, BMB-C

By Authority of the Acting Secretary

TINA ROSE MARIE L. CANDIA
Undersecretary

AUG 29 2019

Date: 8-14-19

Department of Budget and Management
BTS

COB No. **C4-2019-0005**



2019-S14862L